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The Chicago Spire, a \$93 Million Hole in the Ground

By Keenan Mayo September 12, 2013

Dec. 7, 2010: *Foreclosure begins on the Chicago Spire*

At 150 stories and a height of 2,000 feet, the Chicago Spire was meant to be the tallest building in North America. Designed by the celebrated Spanish architect Santiago Calatrava and estimated to cost \$1 billion, its drill-bit shape and near-stratospheric altitude promised to “change the skyline,” says Lynn Osmond, president and chief executive officer of the Chicago Architecture Foundation. Construction began in 2007. Within a year its lead developer, Garrett Kelleher, the founder and executive chairman of Ireland’s Shelbourne Development Group, ran out of money. Crews walked away from the site, leaving behind an unfinished, 76-foot-deep circular hole. “They broke ground with less than 10 or 15 percent of [units sold], which is a recipe for disaster,” says Garry Benson, a real estate consultant at Garrison Partners in Chicago. “It was ambitious and economically impossible to execute. And the building spun and tapered, and I don’t think there were two floor plans in the 1,500 units that were the same.”

On Oct. 1, 2010, Kelleher’s lender, the Anglo Irish Bank, filed a foreclosure suit against Shelbourne, claiming to be owed \$77.3 million. (The debt was later transferred to Ireland’s National Asset Management Agency, or NAMA.) Two months after that, Kelleher lost control of the property altogether when a Cook County Circuit Court judge appointed a receiver to oversee it. Kelleher, meanwhile, turned to his film projects. In 2011, Lightstream Pictures, for which he serves as non-executive director, began development on *The Price of Desire*, a movie about the relationship between the architect Le Corbusier and Irish designer Eileen

Gray, starring the musician Alanis Morissette. It's slated for a 2014 release.

In July 2013, New York-based Related purchased the \$93 million in debt from NAMA for about \$40 million. Kelleher has sued to stop the sale. (Related would not comment, citing ongoing litigation; calls to Kelleher's attorney were not returned.) The site's future remains uncertain.

"I remember touring the foundation way back and thinking, 'This is really happening; this is not a dream,'" recalls Osmond, who says nearby residents call it the Bathtub, a reference to the fetid accumulation of rainwater rising inside. "Because why would somebody pour concrete, and do caissons, and build this incredible infrastructure if it's not going to happen? But then it sat. It's still a hole."